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For immediate release

3 February 2016

CYBG PLC ("CYBG" or the "Company")

Announcement of Offer Price

CYBG, the largest of the UK's mid-sized banks, today announces the pricing of its initial public offering (the "IPO" or the "Global Offer") of 219,828,814 ordinary shares (the "Shares") at 180 pence per ordinary share (the "Offer Price").

The Offer Price implies a CYBG market capitalisation of approximately £1,583 million (or A\$3,221 million¹).

David Duffy, Chief Executive Officer, commented:

"This is truly a landmark day for CYBG as we move towards becoming an independent banking group for the first time in almost a century and we are delighted to be listing on both the London Stock Exchange and the Australian Securities Exchange.

"CYBG is in great shape to begin this exciting new chapter. With the IPO process successfully behind us, all of our energy will be dedicated to delivering industry leading service for our customers and improved and sustainable returns for our new and future shareholders from around the world."

Jim Pettigrew, Chairman, added:

"Today marks a very important milestone in our 177 year history as we begin life as an independent listed company. I welcome our new shareholders and thank them for the confidence they have shown in our business. We embark upon this exciting new chapter for CYBG with a strong customer focussed franchise, a large and loyal customer base and a first class management team determined to deliver on our strategy."

¹ Based on AUD:GBP exchange rate of 0.4914 as at 2 February 2016.

The Offer

- The IPO comprises an offer by National Australia Bank Limited (“NAB”) of 219,828,814 CYBG Shares (representing 25% of CYBG²), including 28,673,323 CYBG Shares being made available pursuant to an over-allotment option.
- The Global Offer is being undertaken in conjunction with a demerger by NAB of its remaining 75% stake in CYBG through the distribution of CYBG Shares (including in the form of CYBG CHESS Depository Interest (CDIs) to its shareholders (the “Demerger”). The Demerger was approved by NAB shareholders in a vote on 27 January 2016 and by the Supreme Court of Victoria on 1 February 2016.

Admission and Dealings

| Event | Indicative date |
|---|---------------------------------|
| NAB shares commence trading on ASX on an ex CYBG Securities basis | 3 February 2016 |
| Latest time and date by which CDI Election Forms, Share Election Forms and Sale Facility Forms must be received by the NAB Share Registry if you wish to make a Security Election or participate in the Sale Facility | 3 February 2016, 5:00pm (AEDT) |
| Expected commencement of conditional trading of CYBG Shares on the LSE under the ticker symbol “CYBG” and ISIN number GB00BD6GN030 | 3 February 2016, 8:00am (GMT) |
| Expected commencement of deferred settlement trading of CYBG CDIs on ASX under the ticker symbol “CYB” | 4 February 2016, 11:00am (AEDT) |
| Demerger implementation date | 8 February 2016 |
| UK admission of CYBG Shares: CYBG Shares commence trading on an unconditional basis | 8 February 2016, 8:00am (GMT) |
| Expected commencement of trading of CYBG CDIs on ASX on a normal settlement basis | 17 February 2016 |
| Anticipated latest date for dispatch of Sale Facility Proceeds to Selling Shareholders (or ShareGift, if a Small Shareholder who is a Selling Shareholder so elects) | 4 April 2016 |

Capitalised terms used in this announcement bear the same meaning as in the Scheme Booklet for the Demerger of CYBG from NAB unless otherwise stated or the context otherwise requires.

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² Based on a total of 879,315,256 CYBG shares on issue.

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The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this

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Neither this announcement, the publication in which it is contained nor any copy of it may be made or transmitted into the United States of America (including its territories or possessions, any state of the United States of America and the District of Columbia) (the “United States”). The securities referred to herein have not been and will not be registered under the United States Securities Act of 1933 and, subject to certain exceptions, may not be offered or sold within the United States. There will be no public offering of securities in the United States. This announcement is not for publication or distribution, in whole or in part, directly or indirectly, in or into Australia (other than to persons in Australia who are both (1) persons to whom an offer of securities may be made without a disclosure document in accordance with Chapter 6D of the Corporations Act 2001 (Cth) (the “Corporations Act”), and (2) “wholesale clients” within the meaning of section 761G of the Corporations Act (such persons being referred to as “Australian Institutional Investors”)), Canada, Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this announcement may be restricted by law in certain jurisdictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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This announcement is only addressed to and directed at persons who: (A) if in member states of the European Economic Area, are persons who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (which means EU Directive 2003/71/EC and any amendments thereto, including the amending directive, Directive 2010/73/EU to the extent implemented in the relevant member state and any relevant implementing measure in each relevant member state) (“Qualified Investors”); and (B) if in the United Kingdom, are investment professionals (i) having professional experience in matters relating to investments falling under Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); and (ii) who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (C) are other persons to whom it may otherwise lawfully be communicated (all such persons referred to in (B) and (C) together being “Relevant Persons”). This announcement must not be acted or relied on (i) in any member state of the European Economic Area, other than the United Kingdom, by persons who are not Qualified Investors and (ii) in the United Kingdom, by persons who are not Relevant Persons. Any investment activity to which this announcement relates is available only to Persons and may be engaged in only with (i) in any member state of the European Economic Area, other than the United Kingdom, Qualified Investors and (ii) in the United Kingdom Relevant Persons. Nothing in this announcement constitutes investment advice and any recommendations that may be contained therein have not been based upon a consideration of the investment objectives, financial situation or particular needs of any specific recipient.

This announcement may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made and cannot be relied upon as a guide to future performance.

Each of J.P. Morgan Securities plc, Macquarie Capital (Europe) Limited, Merrill Lynch International, Morgan Stanley & Co. International plc, Stifel Nicolaus Europe Limited (trading as Keefe, Bruyette & Woods) and RBC Europe Limited and their respective affiliates (together, the “**Banks**”) expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement

contained in this announcement whether as a result of new information, future developments or otherwise.

Any purchase of Shares (including in the form of CDIs) in the IPO should be made solely on the basis of the information contained in the final Prospectus. No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change.

The IPO timetable, including the date of Admission, may be influenced by a range of circumstances such as market conditions. There is no guarantee that Admission will occur and you should not base your financial decisions on the Company's intentions in relation to Admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all or part of the amount invested. Persons considering making such an investment should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the IPO. The value of securities can decrease as well as increase. Potential investors should consult a professional adviser as to the suitability of the IPO for the person concerned. Past performance cannot be relied upon as a guide to future performance.

J.P. Morgan Securities plc, Merrill Lynch International, Morgan Stanley & Co. International plc, Stifel Nicolaus Europe Limited (trading as Keefe, Bruyette & Woods) and RBC Europe Limited, each of which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, and Macquarie Capital (Europe) Limited, which is authorised and regulated by the Financial Conduct Authority, are acting exclusively for the Company, CYB Investments Limited and NAB and no-one else in connection with the IPO. They will not regard any other person as their respective clients in relation to the IPO and will not be responsible to anyone other than the Company, CYB Investments Limited and NAB for providing the protections afforded to their respective clients, nor for providing advice in relation to the IPO, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the IPO, each of the Banks and any of their respective affiliates, acting as investors for their own accounts, may subscribe for or purchase Shares and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Shares and other securities of the Company or related investments in connection with the IPO or otherwise. Accordingly, references in the Prospectus, once published, to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by any of the Banks and any of their affiliates acting as investors for their own accounts. In addition, certain of the Banks or their affiliates may enter into financing arrangements and swaps in connection with which they or their affiliates may from time to time acquire, hold or dispose of Shares. None of the Banks intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Banks or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for/ or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, CYB Investments Limited or NAB, or their respective subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the IPO, Morgan Stanley as stabilising manager (the "Stabilising Manager"), or any of its respective agents, may (but will be under no obligation to), to the extent permitted by applicable laws and regulations, over-allot or effect other stabilisation transactions which may have the effect of supporting the market price of the Shares and/or the CDIs at a higher level than that which might otherwise prevail in the open market. The Stabilising Manager is not required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the commencement of conditional dealings of the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. However, there will be no obligation on the Stabilising Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. Such stabilisation, if commenced, may be discontinued at any time

without prior notice. In no event will measures be taken to stabilise the market price of the Shares and/or CDIs above the Offer Price. Except as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the IPO.

In connection with the IPO, the Stabilising Manager may, for stabilisation purposes, over-allot Shares up to a maximum of 15% of the total number of Shares comprised in the IPO. For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotments and/or from sales of Shares effected by it during the stabilising period, NAB will grant to it the Over-allotment Option, pursuant to which the Stabilising Manager may require NAB to sell additional Shares up to a maximum of 15% of the total number of Shares comprised in the IPO (the "Over-allotment Shares") at the Offer Price. The Over-allotment Option will be exercisable in whole or in part, upon notice by the Stabilising Manager, at any time on or before the 30th calendar day after the commencement of conditional dealings of the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the Shares, including for all dividends and other distributions declared, made or paid on the Shares, will be purchased on the same terms and conditions as the Shares being issued or sold in the IPO and will form a single class for all purposes with the other Shares.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly with the total figure given.

This announcement may contain industry, market and competitive position data. To the extent available, the industry, market and competitive position data contained herein come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company reasonably believes that each of these publications, studies and surveys has been prepared by a reputable party, neither the Company, CYB Investments Limited, NAB, nor any of the Banks, nor any of their respective subsidiary undertakings or affiliates, or their respective directors, officers, employees, advisers or agents have independently verified the data contained therein. In addition, certain of the industry, market and competitive position data contained herein come from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the markets in which the Company operates. The underlying methodology and assumptions have not been verified by any independent source for accuracy or completeness and are subject to change. Accordingly, undue reliance should not be placed on any of the industry, market or competitive position data contained herein.